

BDAC MEETING SUMMARY
MAY 29, 1996
SACRAMENTO CONVENTION CENTER
10:00 AM TO 5:00 PM

1. WELCOME AND INTRODUCTIONS (MIKE MADIGAN)

The Chair convened the meeting and welcomed BDAC members. Attachment 1 lists the BDAC members and Attachment 2 lists members of the public who attended the meeting.

2. OVERVIEW OF PROCESS (LESTER SNOW)

Presentation

Staff reiterated the goals and objectives of Phase I of the CALFED Bay-Delta Program. The overall goal at this point is to get agreement on preliminary Phase II alternatives, and not to select the preferred alternative. The objectives are to:

- ▶ Identify problems
- ▶ Identify actions
- ▶ Form actions into alternatives
- ▶ Refine alternatives for environmental analysis in Phase II.

Refinement in Phase II will necessitate modeling of alternative components and other analytical work to determine environmental effects. Staff introduced the concept of Common Programs and Variable Components for Phase II evaluation, as explained in the **Description of Alternative Refinement Process and Components** section of the meeting packet. Staff explained that several of the alternatives presented problems with meeting solution principles. At the present time, alternatives describing the existing, through Delta, and dual system conveyance components, along with varying amounts of storage, would still be carried into Phase II.

Discussion Points

- Common Programs may need minor adjustments to meet overall goals when combined with variable components to form alternative solutions.
- It was suggested that eliminating the isolated conveyance option would narrow the range of alternatives too much. It was noted that the through Delta alternative allows for a broad range of conveyance options.
- Phase II modeling will help determine how the refined alternatives meet solution principles and objectives.

Key Outcome

- The Scoping comment report will hopefully be available by the end of June 1996.

3. REFINEMENT OF COMPONENTS

Synthesis/Analysis of Comments Presentation and Discussion (Judy Kelly)

- Staff provided an overview of **Key Emerging Issues** (in meeting packet) synthesized from the more than 160 letters and hundreds of scoping comments received during public workshops and meetings. Highlighted issues reflect opinions and recommendations from at least 80% of people who commented on those respective issues or topics.
- Several BDAC members asked for clarification on the following issues:
 - When analyzing conveyance alternatives, scoping comments supported addressing physical and regulatory (permitting) constraints to allow more flexibility for better management of the water system and response to fisheries impacts.
 - Comments from local water districts expressed support for utilizing aquifers for local benefits first, rendering water exports outside local basins a second priority. These comments raise area of origin and cost allocation issues.
 - Comments urged careful attention to levee stability as a component of system integrity.
 - The concept of the common pool means that diverters should be part of a common system so that they share benefits and address impacts of those diversions. The concept has solution principle implications including issues of durability, equity, and redirected impacts.

Applying Solution Principles to Evaluate Strengths and Weaknesses Presentation and Discussion (Steve Yaeger)

- Staff explained the process used and results of comparing the 10 alternatives to the Solution Principles (see **Refinement Process to Produce Preliminary Phase II Alternatives** portion of the meeting packet). The comparison process involved teams of 10 to 12 people and took over two weeks to complete.
- Practicing water use efficiency has urban and agricultural impacts. In urban areas, water conservation measures are costly. Scoping comments supported limited land retirement as a mechanism for dealing with toxic "hot spots."
- There was concern about using the term water use efficiency to cover too many things. It currently covers both reallocation of water to more efficient uses and more efficient use by current water users.
- The definition of the solution principle "Durability" is difficult to comprehend, especially considering increases in exotic species, decreases in downstream flows, and increases in human populations.

- "Equity" means fairness, rather than meeting all objectives at the same levels or in the same manner. The Program is looking to satisfy the objectives by:
 - ▶ achieving a reasonable balance of interests,
 - ▶ allocating benefits to many users,
 - ▶ sharing of benefits and burdens, and
 - ▶ ensuring representation of stakeholders.

Revision of Components Presentation and Discussion (Lester Snow)

- Staff explained the four proposed Common Programs. The presentations paralleled the information provided in the **Common Alternative Components** portion of the meeting packet.

Water Use Efficiency (Rick Soehren)

- Integrated resource plan levels of analysis in Phase II may provide a financial analysis comparing cost differences between using and recycling poor quality versus good quality water.
- BDAC members expressed concern for strategies on developing common goals for water use efficiency and water quality. It was suggested the Program needs to determine common ethics or goals for all stakeholder interests. It was pointed out that generalizing may overlook the different needs for urban, agricultural and ecosystem restoration uses. A suggested approach to addressing these differences is to discuss the issues separately, then bring key representatives together to work on issues common to each stakeholder interest.
- Water pricing has supply and demand implications. It was suggested that the Water Use Efficiency Work Group determine the amount of water that could be available through different pricing mechanisms. A caution was raised to focus on San Francisco Bay Delta issues, only, and avoid expanding CALFED's role to solving all of California's water supply and demand needs.

Ecosystem Restoration (Dick Daniel)

- Planning for optimal flows in a region will take into consideration water needs to support habitat. Restoration objectives include the need for water, timing, and habitat value.
- Mr. Ed Petry (City of Mendota) commented that land retirement would lead to unemployment, housing foreclosures, and other third party impacts that will be addressed by the Program.

Water Quality and System Integrity (Steve Yaeger)

- Overlap or conflicts between urban, agricultural, and aquatic habitat needs will be addressed by the Program by first focusing on the individual issues and then addressing the interests collectively, as noted above in the **Water Use Efficiency** discussion. The EPA

western Delta water quality plan model should be extended to the north, central, and south Delta.

- Agricultural cultivation setbacks to protect riparian areas will be six times wider than the levee buffer zones. For example, if the buffer zone is 100 feet, the setback would be 600 feet (200 yards). In addition, the Program is exploring the following options for addressing water quality and subsidence:
 - dike with shallow flooding,
 - technological developments, and
 - pilot programs to test effectiveness of methods.

4. ALTERNATIVE REFINEMENT PRESENTATION AND DISCUSSION (LESTER SNOW)

- Staff described key aspects of the conveyance and storage Variable Components.
- "Downstream storage" refers to storage facilities located between Tracy and San Diego. These facilities are also referred to as south of Delta storage. It was suggested that benefits of offstream and onstream storage should be assessed on a case-by-case basis.
- Ground water banking refers to storing water for use outside the storage basin. Conjunctive use refers to storing water for use within the basin.
- Watershed management and changes in land use practices can potentially change yield, as well as affect water quality. Early stages of the Program focused on the water quality benefits. The scoping process brought out concerns about the water supply implications.
- Mr. Petry stated that the alternatives do not adequately address San Joaquin drainage issues, especially water quality, land retirement and impacts on the local communities. In response to Mr. Petry's and the scoping comments, the Program is broadening its focus to use innovative, locally supported tools, in addition to land retirement, to address water quality problems.
- Mr. Gary Bobker (Bay Institute) promoted a comprehensive program for dealing with San Joaquin drainage issues and the needs of large and small farmers. The Environmental Water Caucus supports use of varied land management strategies and would not support a program solely based on land retirement.
- Mr. Bobker expressed concerns about compatibility between the solution principles of system integrity and ecosystem restoration. Levee maintenance and stabilization should be done in concert with an equally aggressive program of controlling and reversing subsidence. The long-term viability of Delta agriculture should be addressed, taking in consideration impacts on local economies. In addition, vulnerability of aquatic and wetland

habitats to levee failure can be addressed by reversing subsidence. Focusing on the levee issue will address the loss of fresh water tidal wetlands in the Delta.

- Mr. Mark Frelier addressed the issue of riparian rights in the Delta and expressed concerns about the Program effects on existing water rights.

Key Outcomes

- Documentation of the Solution Principle comparison process is available from staff.
- The Sierra Nevada Ecosystem Project will release its initial findings in June. The report may suggest improved better watershed management opportunities.
- The Workshop 7 packet will be mailed around June 14, 1996. The packet will include the preliminary Phase II alternatives. Workshop 7 is scheduled for June 25.

5. CONTINUING EIS/EIR PROCESS (RICK BREITENBACH)

Staff presented a draft schedule for preparation of the EIR/S:

- ▶ Preparation of the Draft EIR/S is expected to occur between August 1996 to October 1997.
- ▶ Preparation of the Final EIR/S is expected to occur from October 1997 to September 1998.
- ▶ The Record of Decision schedule is planned for October 1998 to December 1998.

Preparation of the EIR/S will parallel refinement of alternative components and development of implementation strategies. Dates for work sessions to begin discussions of the Phase II analysis were provided in a public involvement calendar handed out at the meeting.

6. REPORTS FROM BDAC WORK GROUPS

Finance Work Group Presentation and Discussion (Eric Hasseltine)

- Cost allocation methods so far have focused on assigning costs to beneficiaries. Recent comments supported the assignment of ecosystem restoration costs to those parties who had some responsibility for the damages.
- The dual conveyance alternative will be a case study to test cost allocation methods. The study will assign costs to each of the four objectives of water supply, water quality, system vulnerability and ecosystem restoration. Ultimately, the Work Group will split costs between public and private parties. Later on, the Group will address financing options.

Ecosystem Restoration Work Group Presentation and Discussion (Mary Selkirk)

- The goals of the Work Group are to discuss and provide input on the overall ecosystem restoration vision for the Delta. Discussion has focused on a draft ecosystem restoration strategy, prepared by staff.

- The Group is close to developing agreement on a restoration vision and on the concept of restoring ecological functions. The Group also agrees that it must address the administrative and program structures for carrying out the restoration program.
- It was suggested that restoration plans address all terrestrial and aquatic species, species of special concern, adaptive management and potential effects of different programs.
- Two of the most difficult issues identified are identifying target levels for restoration indicators and developing programmatic structures needed to support and monitor the program. Discussions will also address phasing of the restoration program.
- The Group also discussed the need to balance immediate crucial restoration needs with long-term needs. Long-term strategies must include criteria for determining when restoration goals are met and establishing restoration performance criteria.
- The purpose of the Ecosystem Roundtable, established by stakeholders, is to efficiently coordinate existing restoration efforts to ensure that they are consistent with the long-term restoration vision.

Water Use Efficiency Work Group Presentation and Discussion (Judith Redmond)

- Good source water quality can reduce demand through reuse or recycling. The group discussed the concept of CALFED specifying overall conservation goals but encouraging local entities to adopt their own approaches to achieving those goals.
- Water conservation incentives fall into the two categories: regulatory and market. Agricultural management practices will be evaluated in the context of existing regulatory cut backs, such as those required by the CVPIA.

Assurances Work Group

- Hap Dunning was selected as the Chair of this new Work Group. The first meeting will be before the July BDAC meeting.

Key Outcomes

- The next Finance Work Group meeting is scheduled for June 20, 1996.
- The next Ecosystem Restoration meeting is scheduled for June 26 in Sacramento.
- The next Water Use Efficiency meeting is scheduled for June 27, 1996 from 1 pm to 4:30 pm in Sacramento.

7. OVERVIEW OF OTHER KEY ISSUES (LESTER SNOW)

San Luis Drain Issue Update (Mike Delamore, U.S. Bureau of Reclamation)

Presentation

Mr. Delamore began his informative overview of the drainage problem by reminding the audience that agricultural practices and natural soil conditions cause selenium contamination of San Joaquin Valley ground water and rivers. In 1960 the San Luis Act included authorization of an interceptor drain to take drainage water to the Delta. In 1970 an inter-agency effort proposed to take contaminated water to Chipps Island in the Delta. The drain was built, but stops short of the Delta. In 1987 the effort was refocused to finding a solution within the Valley. In-valley measures include evaporation ponds, monitoring and evaluation and a grant program focused on agri-forestry techniques to re-use the water and concentrate the salts.

Litigation brought on by Westlands Water District and the exchange contractors resulted in an order issued in March 1995 directing the Secretary of the Department of the Interior to promptly prepare, file and pursue a discharge permit to complete the San Luis Drain to the Delta. Westlands and State Water Resources Control Board (SWRCB) staff are negotiating Westlands' financing of the costs of processing the discharge permit. A likely outcome is that Westlands will pay the costs. Upon agreement of a financing strategy, SWRCB staff will develop a work plan for processing a permit application consistent with NEPA and CEQA.

Discussion Points

- A proposal to proceed with the drain will have dramatic impacts on water quality in the Delta system that would have to be addressed by CALFED. A practical issue is to look at management programs to reduce the amount of drainage.
- Mr. Steve Ottwaller (Westlands Water District) emphasized that the NEPA/CEQA process will determine the environmental effects of the drain on the Delta.
- Mr. Bill DuBois (California Farm Bureau) pointed out that the re-use option is not a complete program, but rather part of an overall management plan. It is still in the experimental stages, but is a promising solution to the problem.

Update on SB 900 Presentation and Discussion (Lester Snow)

- The bill is in a legislative conference committee and discussions are focused on providing bond funding for CALFED programs. Specifically, funds would be allocated for providing the state match to CVPIA, Category III activities, and other state activities. Funds would also be available to implement the ecosystem restoration actions, after certification of the CALFED Program EIR/S.

Water Quality Technical Issues Presentation and Discussion (Steve Yaeger)

- Informal discussions with urban water users are underway on water quality issues specific to the north Bay Aqueduct, Contra Costa Water District, State Water Project and the Delta-Mendota Canal. Issues are different depending on the location of diversions. Efforts are underway to initiate discussions with agricultural water users and those interested in ecosystem restoration water supply issues.

Business Roundtable Reports Presentation and Discussion (David Guy)

- Four groups, the California Business Roundtable, Chamber of Commerce, Farm Bureau and Manufacturers Association have proposed a Model Water Transfer Act and prepared a finance paper. The Act will be introduced as a preprint to go to interim legislative hearing later in 1996. The finance paper will be pertinent to the CALFED financial strategy development.

8. PREVIEW OF NEXT BDAC MEETING (LESTER SNOW)

- The meeting will be on July 19, 1996. The main objective will be to review the draft Phase II alternatives.
- An overview of Workshop 7 key outcomes will be provided.
- Work Groups will update their progress.
- Provide written comments by July 1 for inclusion in the packet.

9. PUBLIC COMMENT (MIKE MADIGAN)

- Mr. Petry provided comments about the deterioration of the Mendota pool.
- Mr. Frelrier reiterated his concern for Delta property owners interests during balancing of agriculture and ecosystem issues in the CALFED process.
- Mr. Ottwaller asked that previous contributions to helping to solve Bay-Delta water problems be considered when allocating costs to user groups.
- Mr. Arnold Rummelsburg (Wheeler Ridge-Maricopa Water Storage District) expressed the need to ensure efficient use of water devoted to ecosystem restoration, in addition to efficient use of water allocated for urban and agricultural uses.
- Mr. Alan Wilhelmy (California Striped Bass Association) raised the issue of aquaculture supplanting natural fish production and clarified the definition of "supplant." In addition, he cautioned that control of exotic species consider the usefulness of some species, for example striped bass, as environmental indicators.